

INTERMOUNTAIN POWER SERVICE CORP.

850 West Brush Wellman Road, Delta, Utah 84624-9546 (435) 864-4414 Purchasing FAX (435) 864-6678

SHIPPING DOCUMENT

No.: SD

026551

*** P.O. Number must appear on all correspondence. ***

SHIP TO: DARRELL STEED
MUSKOGEE POWER PLANT
OG&E POWER SUPPLY
5501 THREE FORKS ROAD
FORT GIBSON, OK 74434

P.O. #: 04-45618-

DATE: _____

INVOICE/PKG. SLIP: _____

REQ. #: _____

ACCOUNT #: _____

ATTENTION: DARRELL STEED

F.O.B.: _____

SHIP VIA: FEDEX DATE: 4/19/04

TERMS: _____

PREPAY ☒

COLLECT ☐

DELIVERY: _____

No. Pcs. 1 Gross Wgt. 116 B/L No. _____

W/O #: _____

LINE #	QTY./UNIT	IPSC STK #	DESCRIPTION	UNIT COST
1	1		14 DRUMS FOR TURNING VANS & DIVISION WALLS IN UNIT 1 SA DOT	

1. To be Exchanged ☐
 2. Vendor To Issue Credit ☐
 3. IPSC To Issue Credit ☐
 4. Recondition/Recalibrate ☐
 Warranty: Yes ☐
 No ☐

5. To Be Inspected & Advised ☐
 6. Loaned Out ☐
 7. Sale ☐
 8. For Transfer ☐
 9. Hazardous Waste Material ☐
 10. Other ☐

REMARKS: _____

Date To Be Returned To IPSC: _____

Shipping Dept.: [Signature] Date: 4/19/04 Environmental Engineer: _____ Date: _____

Requested By: _____ Date: _____ Purchasing: [Signature] Date: 4-19-04

Approved By: [Signature] Date: 4/19/04 Received By: _____ Date: _____
 Name & Title

WAREHOUSE

SC-ADP-29
REV. 4-99

IP7_029476

From: Howard Hamilton
To: Nancy Bennett
Date: 3/1/2004 10:25:55 AM
Subject: Re: POA 04-45618-005

Since we have started listing the costs with the other POAs and since TEI has issued a cost not to exceed quote I would prefer that the the costs be shown.

>>> Nancy Bennett 3/1/2004 10:16:38 AM >>>

So do you want the cost left on them? We don't do that for any of the other contracts.

>>> Howard Hamilton 3/1/2004 9:51:18 AM >>>

TEI submitted a cost plus not to exceed request.

All of the other POAs for this contract have a cost listed for them.

>>> Nancy Bennett 3/1/2004 8:46:24 AM >>>

We generally put advise on the releases. That way the contract doesn't know how much has been approved for a particular project.

>>> Howard Hamilton 2/28/2004 4:31:33 PM >>>

Why does this POA have listed for unit price "Advise".

Please advised.

*Sam w/POA.
out 4/5/04*



INTERMOUNTAIN POWER SERVICE CORP.
Delta, Utah 84624-9546 (435) 864-4414 - Purchasing FAX (435) 864-6678

VENDOR: TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

PURCHASE ORDER

04 FEB 2004
REVISED 23 FEB 2004

VENDOR MUST SHOW P.O. NUMBER ON ALL INVOICES, BILL OF LADING, CORRESPONDENCE, AND ON PACKING LISTS IN EACH CONTAINER, TO INSURE PROMPT PAYMENT. CHARGES FOR TRANSPORTATION MUST BE SUPPORTED BY COPY OF FREIGHT BILL.

PURCHASE ORDER NO.	VENDOR CODE	REQUISITION NO
04-45618	8149	194493

* * * S H I P T O * * *
INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA , UT 84624-9546

251-633-4181 OR 864-879-6860

CONFIRMING DO NOT DUPLICATE	NON CONFIRMING X	SHIP VIA BEST WAY	TERMS NET 30	FOB POINT DESTINATION F/A	PAGE OF 1 2	NONE
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INTERMOUNTAIN POWER SERVICE CORPORATION'S STANDARD TERMS AND CONDITIONS ARE INCLUDED AS PART OF THIS AGREEMENT

QUANTITY ORDERED	U M	IPSC PART NO.	DESCRIPTION	ACCOUNT NUMBER	UNIT PRICE	EXTENSION
0	EA		THIS IS A PURCHASE ORDER ADJUSTMENT LINE 1 INSTALL FORTY-EIGHT (48) LOW NOX BURNERS IN UNIT 2 **PER SPECIFICATIONS 45618 & CONTRACT 04-45618** **PURCHASE ORDER CLOSED 02/04/04** NB/LF 02/04/04 **PER REQUISITION 198910, INCREASE CONTRACT AMOUNT BY \$2,283: ORIGINAL CONTRACT AMOUNT: \$1,616,800 NEW CONTRACT AMOUNT: \$1,619,083** NB/CLE 2/5/04 **PER REQUISITION 200214, INCREASE CONTRACT BY \$200,000: NEW CONTRACT AMOUNT: \$1,819,083**	2SGX-502 03-96033-0	** PRICE CHANGED 1,819,083.00	0.00

- Invoices and correspondence may be mailed to Intermountain Power Service Corporation, 850 West Brush Wellman Rd., Delta, Utah, 84624-9546.
- Acknowledgement is required if shipment will not be made within FIVE days.
- Mark packages or items with IPSC part number and/or P.O. Line number. Show number on invoice and packing slip.
- Vendor must furnish applicable material safety data sheets.
- Add to invoice all applicable federal taxes.

UTAH VENDORS ARE TO ADD TO THE INVOICE
ALL APPLICABLE STATE, AND COUNTY TAXES.

OUT OF STATE VENDORS, LICENSED TO
COLLECT UTAH TAXES, ARE TO ADD TAX OF 6%.

UTAH TAXES WILL BE ACCRUED BY IPSC FOR
OUT OF STATE VENDORS NOT LICENSED TO
COLLECT UTAH STATE TAX

BUYER

IP7_029478



PURCHASE ORDER

04 FEB 2004
REVISED 23 FEB 2004

VENDOR MUST SHOW P.O. NUMBER ON ALL INVOICES, BILL OF LADING, CORRESPONDENCE, AND ON PACKING LISTS IN EACH CONTAINER, TO INSURE PROMPT PAYMENT. CHARGES FOR TRANSPORTATION MUST BE SUPPORTED BY COPY OF FREIGHT BILL.

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04-45618	8149	194493

VENDOR: TEI CONSTRUCTION SERVICES INC.

*** SHIP TO ***
INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA , UT 84624-9546

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- 1. Invoices and correspondence may be mailed to Intermountain Power Service Corporation, 850 West Brush Wellman Rd., Delta, Utah, 84624-9546.
- 2. Acknowledgement is required if shipment will not be made within FIVE days.
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UTAH TAXES WILL BE ACCRUED BY IPSC FOR OUT OF STATE VENDORS NOT LICENSED TO COLLECT UTAH STATE TAX

NANCY BENNETT 435-864-4414

BUYER
REVIEWED BY GEORGE CROSS

IP7_029479

INTERMOUNTAIN POWER SERVICE CORPORATION

February 19, 2004

Mr. Eric J. Tharp
Operating Agent for the Intermountain Power Project
Los Angeles Department of Water and Power
111 North Hope Street, Room 1263
Los Angeles, CA 90012-2694

Requisition 200214 - Miscellaneous Time and Material Work

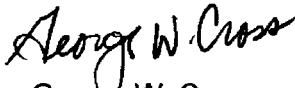
Dear Mr. Tharp:

Attached for your approval is requisition 200214 for additional funds for Miscellaneous Time and Material Work in conjunction with the Low NOx Burner Installation Project. Budgetary information for this project is attached.

This requisition has been reviewed and approved by IPSC Management. Your approval of this requisition is requested by Tuesday, February 24, 2004. Please fax your approval to Nancy Bennett at (435) 864-6678.

If you have any questions regarding this request, please contact Howard Hamilton, ext. 6436, or Nancy Bennett, ext. 6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

nb
Attachments

c: Dennis Killian w/o Attachments
James Nelson w/o Attachments
Howard Hamilton w/o Attachments
Nancy Bennett
File



INTERMOUNTAIN POWER SERVICE CORP.
Delta, Utah 84624-9546 (435) 864-4414 - Purchasing FAX (435) 864-6678

VENDOR: TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

PURCHASE ORDER

04 FEB 2004
REVISED 05 FEB 2004

VENDOR MUST SHOW P.O. NUMBER ON ALL INVOICES, BILL OF LADING, CORRESPONDENCE, AND ON PACKING LISTS IN EACH CONTAINER, TO INSURE PROMPT PAYMENT. CHARGES FOR TRANSPORTATION MUST BE SUPPORTED BY COPY OF FREIGHT BILL.

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INTERMOUNTAIN POWER SERVICE CORPORATION
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OUT OF STATE VENDORS NOT LICENSED TO
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NANCY BENNETT 435-864-4414

BUYER

REVIEWED BY GEORGE CROSS

IP7_029481



INTERMOUNTAIN POWER SERVICE CORP.

Delta, Utah 84624-9546 (435) 864-4414 - Purchasing FAX (435) 864-6678

VENDOR: TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

PURCHASE ORDER

04 FEB 2004

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INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
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0	EA		LINE 1 INSTALL FORTY-EIGHT (48) LOW NOX BURNERS IN UNIT 2 **PER SPECIFICATIONS 45618 & CONTRACT 04-45618** ATTENTION: DALE NAUGHTON NB/LF **THIS PURCHASE ORDER WAS CREATED FOR ACCOUNTING & TRACKING PURPOSES ONLY** *****ATTENTION IPSC WAREHOUSE***** THIS ORDER IS FOR A SERVICE AND NO MATERIAL WILL BE RECEIVED DATE REQUIRED 03/01/04	2SGX-502 03-96033-0	1,616,800.00	0.00

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NANCY BENNETT 435-864-4414

BUYER

REVIEWED BY GEORGE CROSS

IP7_029482



PURCHASE ORDER

04 FEB 2004
REVISED 04 FEB 2004

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PURCHASE ORDER NO.	VENDOR CODE	REQUISITION NO
04-45618	8149	

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INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA , UT 84624-9546

251-633-4181 OR 864-879-6860

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			THIS IS A PURCHASE ORDER ADJUSTMENT **PURCHASE ORDER CLOSED 02/04/04** NB/LF 02/04/04			

IP7_029483

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NANCY BENNETT 435-864-4414

BUYER
REVIEWED BY GEORGE CROSS

INTERMOUNTAIN POWER SERVICE CORPORATION

February 2, 2004

TEI Construction Services, Inc.
550B Brookshire Rd
Greer, SC 29651
Attention: Dale Naughton

Contract 04-45618 - Installation of Low NOx Burners, Ancillary Hardware and
Associated Flame Detection Systems in Unit 2

Dear Mr. Naughton:

Enclosed is your signed original of the above referenced Contract between TEI and Intermountain Power Service Corporation.

If you have any questions, please contact Nancy Bennett at (435) 864-6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

nb NB: If
Enclosure

c: George Cross
Dennis Killian
James Nelson
Phil Hailes
Howard Hamilton
Nancy Bennett
Contract File

INTERMOUNTAIN POWER SERVICE CORPORATION

February 2, 2004

Mr. Eric J. Tharp
Operating Agent for the Intermountain Power Project
Los Angeles Department of Water and Power
111 North Hope Street, Room 1263
Los Angeles, CA 90012-2694

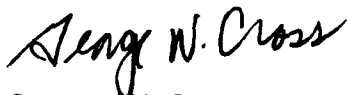
Contract 04-45618 - Installation of Low NOx Burners, Ancillary Hardware and
Associated Flame Detection Systems in Unit 2

Dear Mr. Tharp:

Enclosed is your signed copy of the above referenced Contract between TEI and Intermountain Power Service Corporation.

If you have any questions, please contact Nancy Bennett at (435) 864-6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

ND NB:lf
Enclosure

c: George Cross
Dennis Killian
James Nelson
Phil Hailes
Howard Hamilton
Nancy Bennett
Contract File

INTERMOUNTAIN POWER SERVICE CORPORATION

February 2, 2004

Intermountain Power Agency
10653 South Riverfront Parkway, Suite 120
South Jordan, UT 84095

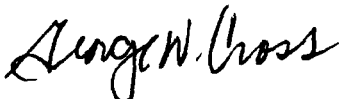
Contract 04-45618 - Installation of Low NOx Burners, Ancillary Hardware and
Associated Flame Detection Systems in Unit 2

Dear Sirs:

Enclosed is your signed original of the above referenced Contract between TEI and Intermountain Power Service Corporation.

If you have any questions, please contact Nancy Bennett at (435) 864-6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

nb NB:If
Enclosure

c: George Cross
Dennis Killian
James Nelson
Phil Hailes
Howard Hamilton
Nancy Bennett
Contract File

INTERMOUNTAIN POWER SERVICE CORPORATION

February 2, 2004

Mr. Robert Palmer Rees
Fabian & Clendenin
PO Box 510210
Salt Lake City, UT 84151-0210

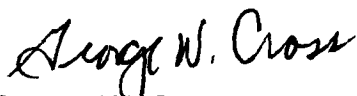
Contract 04-45618 - Installation of Low NOx Burners, Ancillary Hardware and
Associated Flame Detection Systems in Unit 2

Dear Mr. Rees:

Enclosed is your signed copy of the above referenced Contract between TEI and Intermountain Power Service Corporation.

If you have any questions, please contact Nancy Bennett at (435) 864-6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

nb NB: If
Enclosure

c: George Cross
Dennis Killian
James Nelson
Phil Hailes
Howard Hamilton
Nancy Bennett
Contract File

**TEI****CONSTRUCTION SERVICES, INC.****A Babcock Power Inc. Company**

January 29, 2004

Nancy Bennett, C.P.M.
Intermountain Power Service Corporation
850 West Brush Wellman Rd.
Delta, Utah 84624

Re: Contract 04-45618
Installation of Low NOx Burners, Ancillary Hardware and Associated Flame
Detection System in Unit 2

Ms. Bennett:

Please find enclosed three (3) original executed contracts for the subject project. After they are executed by Intermountain Power please return one original to me at:

Dale Naughton
TEI Construction Services, Inc.
550B Brookshire Rd.
Greer, SC 29651

Thanks for your help in getting this finalized.

We appreciate the opportunity to work with you on this project and if you have any questions please give me a call at (864) 879-6860.

Sincerely,
TEI Construction Services, Inc.

A handwritten signature in black ink that reads "Dale Naughton". The signature is fluid and cursive.

Dale Naughton
President

TEI Construction Services, Inc
550-B Brookshire Rd.
Greer, SC 29651

Tel: (864) 879-4800
Fax: (864) 879-3530
Web: www.teiservices.com

IP7_029488



TEI

Date: January 20, 2004

Number of pages including cover sheet: 1

To:

Nancy Bennett

Phone:

Fax phone: 435-864-6678

CC:

From:

Dale Naughton

Phone: (864) 879-6860

Fax phone: (864) 968-5497

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please comment

Nancy, After review of the Contract 04-45618 for the Burner Installation, I have a couple of questions.

CONTRACT AGREEMENT – On page 1, the principal office should be Greer, SC rather than Mobile, AL.

Part C Division C1

Paragraph 11 – It appears the last sentence of the first paragraph should be deleted as it contradicts LD's. –

Part D Division D1 – The Insurance requirements in Article 4 seem high for this type of Work. Can we change them to agree with the Air Heater Contract amounts?

Part D Division D2

Paragraph 5f states a 4 year warranty. Is that for material supply only? Part C – Division C2 states 2 year warranty which is consistent with our understanding.

Paragraph 6j – We agree to this provided the damage is caused by us. Our understanding was that if there is existing damage it shall be repaired on a T&M basis.

✕ Paragraph 6k states we are responsible for modifications as necessary to accommodate new flanges on the coal pipe. Paragraph 5a states nozzles will interface directly with the existing burner line flanges which is consistent with our understanding (i.e. there is no modification needed).

? Paragraph 6l – Our understanding was that all of the work defined should be T&M, not just the installation of turning vane and baffles.

Please let me know your thoughts as we are not trying to be difficult or create problems but just making sure we are all on the same page.

Thanks.

*** TOTAL PAGE.01 ***

IP7_029489

INTERMOUNTAIN POWER SERVICE CORPORATION

January 14, 2004

TEI Construction Services, Inc.
550 B Brookshire Road
Greer, SC 29651
Attention: Dale Naughton

Contract 04-45618
Installation of Low NOx Burners, Ancillary Hardware,
and Associated Flame Detection Systems in Unit 2

Dear Mr. Naughton:

Enclosed are three (3) original copies of the above referenced Contract for Installation of Low NOx Burners, Ancillary Hardware, and Associated Flame Detection Systems in Unit 2.

Please sign all three (3) original copies of the Contract in the space provided on page three of the Contract Agreement and return all three (3) copies of the Contract to my attention. Upon receipt I will then ask George W. Cross to sign for IPSC. Your original Contract will then be returned to you.

If you have questions, please contact Nancy Bennett at (435) 864-6538.

Sincerely,



Nancy Bennett, C.P.M.
Senior Buyer

NB:ajw
Enclosures

c: Dennis Killian w/o Enclosures
James Nelson w/o Enclosures
Phil Hailes w/o Enclosures
Bret Kent w/o Enclosures
Howard Hamilton
Nancy Bennett
Contract File

INTERMOUNTAIN POWER SERVICE CORPORATION

January 7, 2004

Mr. Dale Naughton
TEI Construction
550 B Brookshire Rd.
Greer, South Carolina 29651

Dear Mr. Naughton:

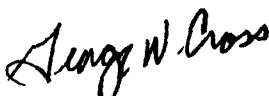
Letter of Intent
Secondary Air Heater Modifications and Burner Replacement Projects

We are providing this document as evidence of intent to form contracts with TEI Construction for installation work associated with Intermountain Units 1 & 2 Secondary Air Heater Modifications and Unit 2 Burner Replacement Projects. The contracts' terms for both the above-named projects are currently in the final stages of negotiation and will be issued for final review within the next few days.


This letter is to serve as interim substantiation of our intent to fully reimburse TEI Construction for all reasonable costs incurred in execution of the work scopes associated with the two proposed contracts, while the proposed contracts are being finalized or in the unlikely event that one or both of the proposed contracts cannot be finalized. With the exception of the few issues being finalized, the terms of the proposed contracts will be used as the basis for guiding the ongoing work.

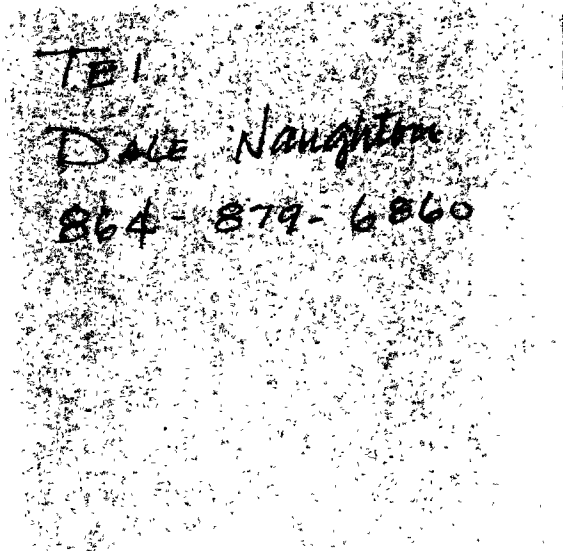
We look forward to a well-coordinated, successful outage similar in approach to the Unit 1, 2003 outage completed last spring. You may contact Mr. James Nelson at (435)864-6464 with questions or comments.

Sincerely,



George W. Cross
President & Chief Operations Officer

 JHN/JKH:jmj



**TEI****CONSTRUCTION SERVICES, INC.****A Babcock Power Inc. Company**

Commercial Clarifications

1. TEI Construction agrees to perform the services in accordance with the terms and conditions as previously agreed to between Babcock Power and IPP on IPP's Contract Number 03-45576 with Babcock Borsig.
2. The quoted price does not include the cost of Payment and Performance Bonds which can be provided at additional cost if requested by IPP.

Technical Clarifications

1. TEI's price does not include the cost of any rework of the windboxes other than the two braces which are shown that require revamping.
2. TEI's price does not include any rework on or inside the windboxes due to existing conditions pertaining to warpage, etc. If repairs or rework of this type is required it shall be done on a T&M basis.
3. TEI has not included any painting other than touch up. No finish painting is included.
4. TEI's price is based on the use of IPP's boiler house crane.
5. TEI's price is based on the openings which are described in our Implementation Plan being allowed to be installed.
6. Installation of electrical and I&C is not included.

IP7_029492

INTERMOUNTAIN POWER SERVICE CORPORATION

January 5, 2004

Mr. Eric J. Tharp
Operating Agent for the Intermountain Power Project
Los Angeles Department of Water and Power
111 North Hope Street, Room 1263
Los Angeles, CA 90012-2694

Requisition 194493 - Installation of Forty-Eight (48) Low Nox Burners in Unit 2

Dear Mr. Tharp:

Attached for your review and approval is requisition 194493 for the Installation of Forty-Eight (48) Low Nox Burners in Unit 2. Budgetary information and other documentation for this purchase are also attached.

This requisition has been reviewed and approved by IPSC Management. Your approval of this requisition is requested by Friday, January 9, 2004. Please fax your approval to Nancy Bennett at (435) 864-6678.

If you have any questions regarding this request, please contact Phil Hailes, ext. 6438, or Nancy Bennett, ext. 6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

NB:lf
Attachments

c: George Cross w/o Attachments
Dennis Killian w/o Attachments
Phil Hailes w/o Attachments
Nancy Bennett
File

Installation of Low NOx Burners in Unit 2

Date:	HARDER
Req./PA No:	194493
P.O. No:	04-451018
Vendor:	8149
Terms:	5
FOB:	1
Ship Via:	8
Conf. To:	

Account No. 00-25GX-402
Work Order No. 03-96033-0
Project No. IGS03-04

[illegible]

Remarks: _____

Delivery requested by (Date) 01/15/04 Originator Phil Hailes
 Dept. Mgr/Supt. 12/30/03 Station Manager Angel Cross Date 12/31/03 Operating Agent Bruce Harvey Date 1-5-04

IP7 029494

MEMORANDUM

INTERMOUNTAIN POWER SERVICE CORPORATION

TO: George W. Cross *SWC* Page 1 of 2
FROM: Dennis K. Killian
DATE: December 30, 2003
SUBJECT: Award of Burner and Air Heater Installation Contracts

We recommend awarding both the contract for installation of low NOX burners and for the Secondary Air Heater replacement hardware to TEI based on the lowest overall price. The total evaluated costs shown below are dependent bids from TEI for award of both contracts. Risk of outage schedule impacts will be significantly lessened with one capable contractor having full responsibility.

The evaluated total costs for the burner and air heater installation work are as follows:

Burners	
TEI	\$1,616,800
MEI	\$1,473,130
B&W	\$2,994,435

Air Heaters	
TEI	\$1,086,480
MEI	\$3,346,916
Alstom	\$3,613,000

Combined	
TEI pkg bid	\$2,703,280
MEI Install Burners	
TEI Install Air Htrs	\$2,752,064
MEI pkg bid	\$4,820,046

TEI's price for the air heater work is a dependent bid assuming award of both the burner and air heater contracts. TEI has considerable experience at both burner installation and air heater modifications.

The largest concern for the upcoming 2004 outage is the quantity of capital upgrades being performed in and around the boiler. With TEI scheduled to continue the OFA and pendant extension

INTERMOUNTAIN POWER SERVICE CORPORATION

CONTRACT 04-45618

and

SPECIFICATIONS 45618

for

**INSTALLATION OF LOW NO_x BURNERS, ANCILLARY HARDWARE,
AND ASSOCIATED FLAME DETECTION SYSTEMS IN UNIT 2**

CONTRACT ISSUED TO:

**TEI CONSTRUCTION SERVICES, INC.
550 B Brookshire Road
Greer, SC 29651**

CONTRACT ADMINISTRATOR: James Nelson

Buyer: Nancy Bennett

DIVISION E1

GENERAL CONDITIONS

those inste
case of cr
work pac

not provided within a given work package. In specifications, codes, or standards and a given govern and prevail to the extent of such difference.

8. Assignment and *Done* Contractor shall not assign or subcontract the work, or any part thereof, without the written consent of IPSC, nor shall it assign, by power of attorney or otherwise, any of the monies payable under this Contract unless written consent of IPSC has been obtained. No right under this Contract, nor claim for any monies due or to become due hereunder shall be asserted against IPSC, or persons acting for IPSC, by reason of any so-called assignment of this Contract or any part thereof, unless such assignment has been authorized by the written consent of IPSC. Where permission to assign monies due or to become due under this Contract is received from IPSC, the instrument of assignment shall contain a clause subordinating the claim of the assignee to all prior liens for services rendered or materials supplied for the performance of the work. The responsibility for performance under the Contract shall remain with the Contractor. No right shall be asserted against IPSC, IPA, or the Operating Agent, in law or equity, by reason of any assignment or disposition unless so authorized.

If the Contractor, without such prior written consent, purports to assign or dispose of the Contract or of any interest therein, IPSC, at its option, may terminate the Contract, and IPSC, IPA, and the Operating Agent shall be relieved and discharged from any and all liability and obligations to the Contractor, and to any assignee or transferee thereof.

Should any subcontractor fail to perform in a satisfactory manner, the associated subcontract shall be immediately terminated by the Contractor upon notice from IPSC. The Contractor shall be as fully responsible and accountable to IPSC for the acts and omissions of all associated subcontractors, and of persons either directly or indirectly employed by them, as it is for the acts and omissions of persons directly employed by the Contractor. Nothing contained in this Contract shall create any contractual relationship between any subcontractor and IPSC.

Where an approved subcontractor, specified by the Contractor within Division E1, ~~page E1-8, Subcontractor Listing~~, is no longer able or available, the Contractor shall provide recommendations and substantiating documentation to IPSC for substituting a different subcontractor. IPSC will review the submitted documentation and respond to the Contractor as to the acceptability of the substitute subcontractor. The subcontractor shall not be engaged until written approval is received from IPSC.

9. Contractor to Check Drawings and Lists: The Contractor shall check all dimensions, elevations, and quantities indicated on the drawings and lists furnished by IPSC. The Contractor shall notify IPSC of any discrepancy between the drawings and the conditions at the site, or any error or omission in drawings, or in the layout as given by stakes, points, or instructions, which may be discovered in the course of the work. The Contractor shall not be allowed to take advantage of any error or omission in the drawings or other Contract documents. Full instructions will be furnished by IPSC should such error(s) or omission(s) be discovered, and the Contractor shall carry out such instructions as if originally specified.

IPSC CAPITAL BUDGET 2003-2004
SUMMARY AND 5-YEAR PLAN
(\$1,000's)

Project #	Page #	Title	2002-03	2003-2004					2004-2005	Project Total	Justification		
				Eng. Labor	IPSC Labor	Contractor	Material	Total			Basis	B/C Ratio	Rate of Return
IGS01-03*	45	Distributed Control System (DCS) Replacement	444	100	123	4,825	0	5,048	2,876	15,040**	Obsolescence		
IGS01-08*	48	Scrubber Outlet Modifications and Rebuild	2,800	35	0	1,800	265	1,900	0	8,700**	Regulatory		
IGS01-14*	50	Replace Bentley-Nevada Vibration Systems	78	4	0	200	240	444	444	1,009**	Obsolescence		
IGS01-15*	52	BFP Torquemeter Replacement	76	2	2	0	96	100	0	224**	Obsolescence		
	54	Isophase Bus Duct Cooling	197	1	0	20	90	111	0	458**	Economic	15.20	82%
IGS01-23*	56	Boiler Feed Pump Renate	377	1	1	0	374	376	0	861**	Economic	4.42	62%
	58	Generator Step-Up Transformer Cooling Modifications	260	10	0	75	175	260	0	520	Economic	15.20	82%
	60	Generator Monitoring	250	10	15	225	0	250	0	500	Economic	15.20	82%
IGS02-06*	62	Turbine Area Sump Pump Replacement	30	1	2	0	27	30	0	60	Economic	5.52	78%
IGS02-07*	64	ID Fan Drive Replacements	75	5	50	1,000	25	1,080	2,160	8,715**	Obsolescence		
IGS02-09*	66	Replace U2 PA Flow Instrumentation	136	10	0	20	106	136	0	285**	Economic	10.90	115%
	67	Boiler Modifications	4,575	25	0	2,050	2,500	4,575	0	9,150	Economic	15.20	82%
IGS02-16*	69	Forced Oxidation System for Scrubber Reaction Tanks	3,000	4	0	1,996	0	2,000	0	5,000	Regulatory		
IGS03-01	5	Miscellaneous Small Projects (See List)	0	2	5	9	2	18	0	18	See List		
IGS03-02*	72	Air Heater Element Replacement	0	5	15	750	980	1,750	1,750	3,500	Economic	4.81	53%
IGS03-03*	74	Coal Feed Tube Extensions	0	5	0	50	40	95	90	185	Economic	2.31	46%
IGS03-04	76	Unit 2 Burner Modifications	0	10	10	1,480	3,000	4,500	0	4,500	Economic	1.24	18%
IGS03-05*	78	U1 Generator Rewind	0	10	0	75	0	85	10,010	10,095	Economic	5.52	26%
IGS03-06*	80	Modicon Upgrade	0	20	35	0	105	160	165	1,170**	Obsolescence		
IGS03-07	82	Water Treatment Conductivity Replacement	0	10	40	0	90	140	0	140	Obsolescence		
IGS03-08	84	Upgrade CEM Software to 32 Bit Version	0	0	0	115	5	120	0	120	Obsolescence		
IGS03-09*	86	Flame Scanner Replacement	0	25	30	105	260	420	415	835	Obsolescence		
IGS03-10	88	AQCS HVAC Capacity Improvement	0	5	0	120	0	125	0	125	Economic	1.65	27%
IGS03-11	90	Provide Power Supply to Chimney Mid-Level	0	1	0	10	5	16	0	16	Regulatory		
IGS Unidentified Capital Projects			0	5	10	10	50	75	0	75			
IGS Totals			12,296	306	338	14,735	8,435	23,814	17,910	71,301			
ICS Unidentified Capital Projects			0	1	2	0	12	15	0	15			
Total ICS Capital Projects			0	1	2	0	12	15	0	15			
Total Capital Projects			12,296	307	340	14,735	8,447	23,829	17,910	71,316			

Notes:

- * Multi-Year Project
- **Project Total includes funds from budget years not shown on table, see detailed justification form
- Gray shaded boxes indicate that this project is part of the plant uprate project



INTERMOUNTAIN POWER SERVICE CORP.
Delta, Utah 84624-9546 (435) 864-4414 - Purchasing FAX (435) 864-6678

VENDOR: TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

PURCHASE ORDER

04 FEB 2004

VENDOR MUST SHOW P.O. NUMBER ON ALL INVOICES, BILL OF LADING, CORRESPONDENCE, AND ON PACKING LISTS IN EACH CONTAINER, TO INSURE PROMPT PAYMENT. CHARGES FOR TRANSPORTATION MUST BE SUPPORTED BY COPY OF FREIGHT BILL.

PURCHASE ORDER NO.	VENDOR CODE	REQUISITION NO
04-45618	8149	194493

*** SHIP TO ***
INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA, UT 84624-9546

251-633-4181 OR 864-879-6860

CONFIRMING DO NOT DUPLICATE	NON CONFIRMING X	SHIP VIA BEST WAY	TERMS NET 30	FOB POINT DESTINATION F/A	PAGE OF 1 1	NONE
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INTERMOUNTAIN POWER SERVICE CORPORATION'S STANDARD TERMS AND CONDITIONS ARE INCLUDED AS PART OF THIS AGREEMENT

QUANTITY ORDERED	U M	IPSC PART NO.	DESCRIPTION	ACCOUNT NUMBER	UNIT PRICE	EXTENSION
1	EA		<p>LINE 1 INSTALL FORTY-EIGHT (48) LOW NOX BURNERS IN UNIT 2 **PER SPECIFICATIONS 45618 & CONTRACT 04-45618**</p> <p>ATTENTION: DALE NAUGHTON</p> <p>NB/LF</p> <p>**THIS PURCHASE ORDER WAS CREATED FOR ACCOUNTING & TRACKING PURPOSES ONLY**</p> <p>*****ATTENTION IPSC WAREHOUSE***** THIS ORDER IS FOR A SERVICE AND NO MATERIAL WILL BE RECEIVED</p> <p>DATE REQUIRED 03/01/04</p>	2SGX-502 03-96033-0	1,616,800.00	1,616,800.00
TOTAL COST						1,616,800.00

- Invoices and correspondence may be mailed to Intermountain Power Service Corporation, 850 West Brush Wellman Rd., Delta, Utah, 84624-9546.
- Acknowledgement is required if shipment will not be made within FIVE days.
- Mark packages or items with IPSC part number and/or P.O. Line number. Show number on invoice and packing slip.
- Vendor must furnish applicable material safety data sheets.
- Add to invoice all applicable federal taxes.

UTAH VENDORS ARE TO ADD TO THE INVOICE ALL APPLICABLE STATE, AND COUNTY TAXES.

OUT OF STATE VENDORS, LICENSED TO COLLECT UTAH TAXES, ARE TO ADD TAX OF 6%.

UTAH TAXES WILL BE ACCRUED BY IPSC FOR OUT OF STATE VENDORS NOT LICENSED TO COLLECT UTAH STATE TAX

NANCY BENNETT 435-864-4414

BUYER

REVIEWED BY

IP7_029500

13:43:58 01-19-04

BUYER : 4 MICAH CHASE

I P S C
BUYERS ACTION REPORT

PAGE 21

REQ NUMBER	NAME OF REQUESTOR	----- DNUMBER	TEL EXT	WO NUMBER	EQUIP NUMBER	ACTION CODE	DEPT APPROVAL	PRIORITY CODE
198910	HOWARD HAMILTON	D26208	6436	03-96033-5	2SGA--A	0	G. CROSS	4 ROUTINE

LINE	ITEM	NUMBER	DESCRIPTION	REQUIRED QUANTITY	U/M	ESTIMATED COST	EXTENDED AMOUNT	50K
1	DIRECT		UNIT#2 DCS REMOTE I/O CABINET MEASURING THE AIR FLOW FOR THE NEW ABT BURNERS NEEDS TO HAVE EXISTING GRATING ON THE 5TH FLOOR WEST END EXTENDED. THIS NEW PLATFORM WILL PLACE THE CABINET IN A SAFE AND SECURE LOCATION THAT IS PRESENTLY NOT AVAILABLE ON THE WEST END OF THE 5TH FLOOR NEXT TO THE BOILER ACCESS SHAFT WHERE THEN CABINET NEEDS TO BE. TEI HAS SUBMITTED A COST NOT TO EXCEED PURCHASE ORDER CHANGE REQUEST (PROJECT #80960) FOR \$2283. THE SCOPE OF THE WORK CONSISTS OF REMOVING EXISTING HANDRAILS, INSTALLING TWO SUPPORT BEAMS, INSTALLING GRATING, PLACING HANDRAIL AND KICK PLATE AROUND NEW 5'X8' PLATFORM.	01/19/04	1 EA	2283.00000	2283.00	N
				VENDOR:	TEI		ACCT NUMBER TAX	00-2SGX-402 N

NOTES : HOWARD HAMILTON NOWS OF THIS WORK AND WILL BE SIGNING TEI TIME SHEETS.
DELIVER TO : ISSUE TEI A PURCHASE ORDER ASAP.

REQ: 198910 TOTAL AMOUNT ON REQ: 2,283.00

=====

Deleted 2/5/04

*need to POA 4/26/18 for additional #'s
1. add to O.S.
2. " to S.C.
3. help Howard with w/ release*

IP7_029501

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO	3280	
CONNECTION TEL		4170269
CONNECTION ID	LA DWP RM #1107	
ST. TIME	02/19 17:12	
USAGE T	01'46	
PGS. SENT	3	
RESULT	OK	



INTERMOUNTAIN POWER SERVICE CORPORATION

February 19, 2004

Mr. Eric J. Tharp
Operating Agent for the Intermountain Power Project
Los Angeles Department of Water and Power
111 North Hope Street, Room 1263
Los Angeles, CA 90012-2694

Requisition 200214 - Miscellaneous Time and Material Work

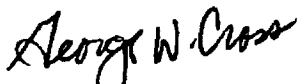
Dear Mr. Tharp:

Attached for your approval is requisition 200214 for additional funds for Miscellaneous Time and Material Work in conjunction with the Low NOx Burner Installation Project. Budgetary information for this project is attached.

This requisition has been reviewed and approved by IPSC Management. Your approval of this requisition is requested by Tuesday, February 24, 2004. Please fax your approval to Nancy Bennett at (435) 864-6678.

If you have any questions regarding this request, please contact Howard Hamilton, ext. 6436, or Nancy Bennett, ext. 6538.

Sincerely,



George W. Cross
President and Chief Operations Officer

nb
Attachments

cc: Debbie Killian via Attachments

IP7_029503

**IPSC CAPITAL BUDGET 2003-2004
SUMMARY AND 5-YEAR PLAN
(\$1,000's)**

Project #	Page #	Title	2002-03	2003-2004					2004-2005	Project Total	Justification		
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IGS03-01	5	Miscellaneous Small Projects (See List)	0	2	5	9	2	18	0	18	See List		
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Total ICS Capital Projects			0	1	2	0	12	15	0	15			
Total Capital Projects			12,298	307	340	14,735	8,447	23,829	17,910	71,316			

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